

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7570

BILL NUMBER: SB 243

DATE PREPARED: Apr 12, 2001

BILL AMENDED: Apr 11, 2001

SUBJECT: Groundwater Quality Rules and Waste Water Revolving Loans.

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FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill requires the following to be consistent with the remediation objectives set forth in IC 13-25-5-8.5: (1) remediation and closure goals, objectives, and standards for activities conducted under the environmental statutes on hazardous waste management, underground storage tanks, and voluntary remediation of hazardous substances and petroleum; and (2) removal and remediation activities that are not emergency or time critical activities and that are conducted under the environmental statutes on petroleum and the Hazardous Substances Response Trust Fund.

The bill requires that the groundwater quality standards established by rule by the Water Pollution Control Board must allow the following to be consistent with the remediation objectives set forth in IC 13-25-5-8.5: (1) groundwater remediations conducted under the environmental statutes on hazardous waste management, underground storage tanks, and voluntary remediation of hazardous substances and petroleum; (2) groundwater remediations that are not emergency or time critical activities and that are conducted under the environmental statutes on petroleum and the hazardous substances response trust fund; and (3) groundwater remediations conducted under other environmental statutes, as appropriate. The bill specifies that responses to spills of hazardous substances, extremely hazardous substances, petroleum, and other objectionable substances that are regulated under Water Pollution Control Board rules must be conducted in a manner that is consistent with the requirements of those rules.

The bill also redefines "participant" for purposes of financial assistance available from the Wastewater Revolving Loan Fund. It enables a private entity to participate in the Wastewater Revolving Loan Program in connection with a nonpoint source pollution reduction project.

Effective Date: (Amended) Upon passage; July 1, 2001.

Explanation of State Expenditures: (Revised) Currently, political subdivisions can apply for loans or other financial assistance from the Drinking Water Fund, the Wastewater Assistance Fund, or the Supplemental

Fund to fund improvements associated with public water systems and for wastewater or storm water collection and treatment systems. This bill permits the Budget Agency to make loans for nonpoint source pollution reduction projects and allows for private entities to apply for loans from the Wastewater Assistance or Supplemental Funds.

State Revolving Fund loans completed for publicly owned wastewater and drinking water projects have equaled \$859,700,617 (as of April 2001).

The Water Pollution Control Board and the Budget Agency must amend certain rules. Legislative Services Agency would be required to void certain rules. These agencies should be able to absorb any additional expenditures associated with this provision given their current budgets.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues: (Revised) Providing that the fund may be used by private entities for additional projects could affect revenue available for projects currently allowed political subdivisions.

State Agencies Affected: Indiana Department of Environmental Management, Legislative Services Agency, and the Budget Agency.

Local Agencies Affected: Political Subdivisions.

Information Sources: Rich Emery, State Budget Agency, 232-0759.